

Exhibit A
June 29, 2014

Finance and Budget Committee



Quonochontaug
Central Beach Fire District
Board of Governors
Meeting
January 19, 2014
(Revised for year-end adjustments)



2013 Financial Performance Summary

Actual results:

- 2013 tax collections and other recurring revenue totaled approximately \$246,400, which combined with the \$34,600 of non-recurring FEMA and other reimbursements, resulted in total cash sources of \$280,900
- After giving effect to operating expenses of \$219,300 and capital expenditures of \$19,500, cash exclusively from operations (excluding FEMA) were \$7,600. Including FEMA, cash flow was \$42,100
- Of these amounts, \$10,000 was used to pay prior year payables and fund a small increase in receivables, resulting in a year-over-year decrease in cash of about (\$2,300) before FEMA reimbursements, and an increase of \$32,200 after FEMA reimbursements. This excess was used to support the budgeted funding of reserve accounts. Year-end 2013 cash balances were \$168,771, up from \$136,583 at year-end 2012

Actual vs. Budget:

- Collections of \$280,900 exceeded budget by \$36,500, substantially due to the \$33,864 received from FEMA for Hurricane Sandy reimbursements. Expenses of \$219,300 were \$700 higher than the \$218,600 budgeted due to favorable variances across several categories including insurance premiums (\$5,800), administration costs (\$3,300) and operations (\$6,300) offset by unbudgeted storm expenses of \$13,100 and higher water system expenses of \$4,900
- Capital expenditures of \$19,500 were \$7,500 favorable to budget due to \$2,700 lower costs for water system repairs and upgrade and no use of the \$8,000 asset replacement budget, offset by \$3,200 for tennis court resurfacing (which is a pull-forward of a 2014 budget item)
- Cash from operations less capital expenditures was \$43,300 higher than budget due to the FEMA reimbursements and the capital expense savings discussed above. Giving effect to the \$10,000 in unbudgeted working capital usage, cash increased \$33,400 vs. budget

Notes:

- The financial statements are unaudited
- These financial statements are consistent with prior year presentations and are not prepared in accordance with generally accepted accounting principles



**Quonochontaug
Central Beach Fire District
Cash Flow**

As of December 31

Unaudited

(\$)

	Actual 12/31/2012	Actual 12/31/2013	Budget 12/31/2013	Budget 12/31/2014	Variance	
					2013 Actual vs. 2012 Actual	2013 Actual vs. 2013 Budget
Sources of funds - operating						
Total Operating Sources	241,469.22	280,927.95	244,375.00	253,971.00	39,458.73	36,552.95
Uses of funds - operating						
Total Operating Uses	256,232.13	219,285.29	218,575.00	223,571.00	(36,946.84)	710.29
Cash Flow from Operations	(14,762.91)	61,642.66	25,800.00	30,400.00	76,405.57	35,842.66
Financing Activities						
Water Loan Prepayment	20,915.00	-	-	-	(20,915.00)	-
Capital Expenditures						
Total Capital Expenditures	27,949.28	19,498.00	27,000.00	38,500.00	(8,451.28)	(7,502.00)
Cash from Operations less Financing & Cap Exp	(63,627.19)	42,144.66	(1,200.00)	(8,100.00)	105,771.85	43,344.66
Working Capital						
Change in Accounts Receivable (inc)/dec	11,326.52	(1,056.15)	-	-	(12,382.67)	(1,056.15)
Change in Accounts Payable inc/(dec)	4,126.66	(8,900.00)	-	-	(13,026.66)	(8,900.00)
Net Change in Cash	(48,174.01)	32,188.51	(1,200.00)	(8,100.00)	80,362.52	33,388.51
Actual Cash Balance--Beginning	184,756.88	136,582.87				
Actual Cash Balance--Ending	136,582.87	168,771.38				
Change in Cash Balance	(48,174.01)	32,188.51				
Check	0.00	(0.00)				



**Quonochontaug
Central Beach Fire District**

Cash Flow

As of December 31
Unaudited

(\$)

					Variance		Comments
	Actual 12/31/2012	Actual 12/31/2013	Budget 12/31/2013	Budget 12/31/2014	2013 Actual vs. 2012 Actual	2013 Actual vs. 2013 Budget	
Sources of funds - operating							
Tax revenue	235,168.89	240,986.99	239,900.00	249,496.00	5,818.10	1,086.99	
Lease to tennis club	1,383.97	1,281.88	1,350.00	1,400.00	(102.09)	(68.12)	
Road impact fees	4,000.00	4,000.00	3,000.00	3,000.00	-	1,000.00	
Transfer from contingency fund (\$20,000 non-cash)	-	-	-	-	-	-	
Lost beach pass fees/miscellaneous	150.00	-	-	-	(150.00)	-	
FEMA reimbursement/donation/other	665.00	34,568.73	-	-	33,903.73	34,568.73	(\$33,864 FEMA, \$495 fun run donations, \$181 copy fees, \$28 insurance dividend)
Interest income	101.36	90.35	125.00	75.00	(11.01)	(34.65)	
Cumulative surplus (\$11,428.43 non-cash)	-	-	-	-	-	-	
Total Operating Sources	241,469.22	280,927.95	244,375.00	253,971.00	39,458.73	36,552.95	
Uses of funds - operating							
Charter, legal, negotiation fees	24,826.56	9,856.57	10,500.00	3,000.00	(14,969.99)	(643.43)	Legal expenses
Storm restoration	32,158.00	13,122.80	-	-	(19,035.20)	13,122.80	Hurricane Sandy repair costs
Record digitization/communication	1,274.40	829.09	3,500.00	1,800.00	(445.31)	(2,670.91)	Website hosting, domain name, SharePoint site
Administration	2,683.04	2,900.84	3,500.00	3,800.00	217.80	(599.16)	Public notices, annual meeting, accounting and land software, postal service
Memberships (Salt Ponds/RISC/Hist Soc)	200.00	300.00	500.00	500.00	100.00	(200.00)	Salt Ponds Coalition, Quonnic Historical Society
Ball field/playground	-	-	500.00	500.00	-	(500.00)	
Beaches/dunes	401.88	2,338.75	2,850.00	3,000.00	1,936.87	(511.25)	Wetlands permitting, restoration, signage
Boating/docking	(46.26)	1,414.86	1,500.00	1,850.00	1,461.12	(85.14)	
CI - Other	9,739.72	8,305.00	10,500.00	12,000.00	(1,434.72)	(2,195.00)	Mowing, fencing
CI - Garbage	27,500.00	27,500.00	27,500.00	27,500.00	-	-	
Police/security	7,092.01	6,878.07	8,750.00	9,250.00	(213.94)	(1,871.93)	Beach security
PW - Water operator (NWSI)	7,845.00	8,238.00	8,200.00	8,250.00	393.00	38.00	Quarterly well water service contract
PW - Water system	24,229.62	22,217.46	17,300.00	24,760.00	(2,012.16)	4,917.46	Well generator gas, electricity, repairs and maintenance, water testing
PW - Roads	2,961.17	5,073.31	6,350.00	6,300.00	2,112.14	(1,276.69)	Snow plowing, street light electricity
Real estate/property	7,987.59	484.75	2,000.00	4,000.00	(7,502.84)	(1,515.25)	Surveying
Mapping project	-	3,390.80	2,000.00	2,000.00	3,390.80	1,390.80	Surveying
Tennis	1,069.24	892.73	1,400.00	1,250.00	(176.51)	(507.27)	Fun run
Water project loan - principal/interest	14,400.00	14,400.00	14,400.00	14,400.00	-	-	Monthly principal + interest of \$1,200
Water project loan - prepayment	-	-	-	-	-	-	
Taxes (Charlestown)	4,684.63	4,738.35	5,000.00	5,250.00	53.72	(261.65)	
Insurance	16,331.59	11,903.00	17,750.00	16,500.00	(4,428.59)	(5,847.00)	Insurance premiums
Fire Protection (Dunn's Corner's)	70,893.94	74,500.91	74,300.00	77,500.00	3,606.97	200.91	
Miscellaneous expense	-	-	275.00	161.00	-	(275.00)	
Total Operating Uses	256,232.13	219,285.29	218,575.00	223,571.00	(36,946.84)	710.29	
Cash Flow from Operations	(14,762.91)	61,642.66	25,800.00	30,400.00	76,405.57	35,842.66	
Financing Activities							
Water Loan Prepayment	20,915.00	-	-	-	(20,915.00)	-	
Capital Expenditures							
Water System	16,046.65	16,298.00	19,000.00	10,000.00	251.35	(2,702.00)	Rebuild of Well #1, Connections, copper filter
Asset Replacement	6,614.58	-	8,000.00	8,000.00	(6,614.58)	(8,000.00)	
Mapping Project	5,288.05	-	-	-	(5,288.05)	-	
Tennis Courts	-	3,200.00	-	3,500.00	3,200.00	3,200.00	Tennis court resurfacing
Boat Launch	-	-	-	3,000.00	-	-	
Compliance	-	-	-	14,000.00	-	-	
Total Capital Expenditures	27,949.28	19,498.00	27,000.00	38,500.00	(8,451.28)	(7,502.00)	
Cash from Operations less Financing & Cap Exp	(63,627.19)	42,144.66	(1,200.00)	(8,100.00)	105,771.85	43,344.66	
Working Capital							
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Change in Accounts Payable inc/(dec)	4,126.66	(8,900.00)	-	-	(13,026.66)	(8,900.00)	
Net Change in Cash	(48,174.01)	32,188.51	(1,200.00)	(8,100.00)	80,362.52	33,388.51	
Actual Cash Balance--Beginning	184,756.88	136,582.87					
Actual Cash Balance--Ending	136,582.87	168,771.38					
Change in Cash Balance	(48,174.01)	32,188.51					
Check	0.00	(0.00)					



**Quonochontaug
Central Beach Fire District**

(\$)

**Reserve Funds
Accrued Balances**

Unaudited

	<u>Contingency</u>	<u>Water Conservation</u>	<u>Road</u>	<u>Boat Launch</u>	<u>Mapping</u>	<u>Tennis</u>	<u>Asset Replace</u>	<u>Dunn's Corner</u>	<u>Compliance</u>	<u>Total Restricted</u>
Fund balance at 12/31/2012	-	8,071.85	16,300.00	21,994.86	-	4,395.00	62,845.81	18,414.99	-	132,022.51
Funding	20,000.00	15,000.00	6,000.00	-	-	1,295.00	15,000.00	74,300.00	7,000.00	138,595.00
Disbursements	-	-	-	-	-	-	-	-	-	-
Well repair/rehab	-	(10,955.00)	-	-	-	-	-	-	-	(10,955.00)
Water line analysis/improvs	-	(1,425.00)	-	-	-	-	-	-	-	(1,425.00)
Pump house equip	-	(3,918.00)	-	-	-	-	-	-	-	(3,918.00)
Pond restoration	-	-	-	-	-	-	-	-	-	-
Dune improvement	-	-	-	-	-	-	-	-	-	-
2nd half fiscal 2013	-	-	-	-	-	-	-	(36,165.35)	-	(36,165.35)
1st half fiscal 2014	-	-	-	-	-	(3,200.00)	-	(38,335.56)	-	(41,535.56)
Total disbursements	-	(16,298.00)	-	-	-	(3,200.00)	-	(74,500.91)	-	(93,998.91)
Transfer in (out)	-	-	-	-	-	-	(10,000.00)	-	-	(10,000.00)
Fund balance at 12/31/2013	20,000.00	6,773.85	22,300.00	21,994.86	-	2,490.00	67,845.81	18,214.08	7,000.00	166,618.60



Central Beach Fire District
Balance Sheet
As of December 31, 2013

	<u>Total</u>		<u>Total</u>
ASSETS		LIABILITIES AND EQUITY	
Current Assets		Liabilities	
Bank Accounts		Current Liabilities	
4000 Cash	0.00	Accounts Payable	
4010 Checking	51,573.35	7010 Accounts Payable	1,125.00
4020 Savings	0.00	Total Accounts Payable	\$ 1,125.00
4040 Municipal Money Market	177,198.03	Other Current Liabilities	
4050 30 Day CD	0.00	7050 Deferred Revenue	0.00
4060 60 Day CD	0.00	Total Other Current Liabilities	\$ 0.00
Total 4000 Cash	<u>\$ 168,771.38</u>	Total Current Liabilities	\$ 1,125.00
Total Bank Accounts	\$ 168,771.38	Long-Term Liabilities	
Accounts Receivable		7110 Water System Loan	132,981.77
4100 Accounts Receivable	1,056.15	7120 Real Estate Loan	0.00
Total Accounts Receivable	\$ 1,056.15	7130 Capital Loan	0.00
Other current assets		Total Long-Term Liabilities	\$ 132,981.77
1499 Undeposited Funds	0.00	Total Liabilities	\$ 134,106.77
Total Other current assets	<u>\$ 0.00</u>	Equity	
Total Current Assets	\$ 169,827.53	1000 Restricted Funds	
Fixed Assets		1005 Surplus Prior Year	0.00
5010 Boat Landing	74,200.00	1010 Contingency Fund	20,000.00
5020 Beach Lot	6,600.00	1020 Water Conservation Fund	6,773.85
5030 Parking lot end	2,400.00	1030 Water Connection Fund (deleted)	0.00
5040 Beach Lots	154,200.00	1040 Road Fund	22,300.00
5050 Beach Lot right of way	69,600.00	1050 Boat Sticker Fund	21,994.86
5060 Beach lot rightofway other side	69,600.00	1060 Golf Open Fund	0.00
5070 Ball Field	206,100.00	1070 Compliance Fund	7,000.00
5080 Land near wells	26,800.00	1080 Mapping Project Fund	0.00
5090 Land near wells 2	20,200.00	1081 Land Trust Fund	0.00
5091 Tennis Club Land	8,900.00	1082 Test Bore Fund	0.00
5092 Pump House Land	1,900.00	1083 Tennis Fund	2,490.00
5093 Water System	266,138.72	1084 Asset Replacement Fund	67,845.81
5094 Water Purification System	24,407.00	1085 Dunn's Corners Fire Smoothing Fund	18,214.08
5110 Tennis Courts 1	5,400.00	Total 1000 Restricted Funds	\$ 166,618.60
5120 Tennis Courts 2	2,200.00	9500 Fund Balance	815,455.69
5130 Mapping	15,256.38	9600 Opening Balance	0.00
Total Fixed Assets	<u>\$ 953,902.10</u>	Net Income	7,548.57
TOTAL ASSETS	\$ 1,123,729.63	Total Equity	\$ 989,622.86
		TOTAL LIABILITIES AND EQUITY	\$ 1,123,729.63



Central Beach Fire District
Profit and Loss
January - December 2013

	<u>Total</u>
Income	
1500 Revenues	
1510 Lease of Tennis Courts	1,281.88
1524 Road Impact Fees	4,000.00
1528 Fun Run Donations	495.00
1530 Tax Receipts	240,986.99
1540 Interest Income	90.35
1550 Miscellaneous Income	34,073.73
Total 1500 Revenues	\$ 280,927.95
Total Income	\$ 280,927.95
Gross Profit	\$ 280,927.95
Expenses	
2000 Expenses	
2022 Charter, legal, negotiation fees	9,856.57
2023 Contingency Expense	13,122.80
2025 Communications	829.09
2030 Administration	2,900.84
2040 Donations/Memberships	300.00
2060 Beach/Dunes	2,338.75
2070 Boating/Docking	1,414.86
2080 Civic Improvement	8,305.00
2081 Civic Improvement - Garbage	27,500.00
2082 Civic Improvement - Fire	74,300.00
2100 Police/Security	6,878.07
Total 2000 Expenses	\$ 147,745.98
2200 Public Works	
2210 Water System Operator	
2212 Northeast Water Supervision	8,238.00
Total 2210 Water System Operator	\$ 8,238.00
2220 Water System	
2222 Generator	943.72
2224 Pump House Electricity	2,690.24
2227 System Repairs & Maintenance	12,376.61
2228 Water Testing	3,214.55
2228A Dues and Licenses	481.43
2229B Cox Telephone-Monitoring	2,510.91
2230 Water Conservation Fund Accrual	5,000.00
Total 2220 Water System	\$ 27,217.46
2240 Roads/Parking Lots	
2245 Road Patching	460.00
2246 Snow Removal	2,025.00
2248 Streetlight Electricity	2,424.38
2249 Sump Pump Electricity	163.93
2250 Road Fund Accrual	2,000.00
Total 2240 Roads/Parking Lots	\$ 7,073.31
Total 2200 Public Works	\$ 42,528.77
2310 Real Estate/Property	484.75
2311 Mapping Project	3,390.80
2330 Tennis/Golf	892.73
2340 Loans - Interest	
2341 Water Loan Interest	14,400.00
Total 2340 Loans - Interest	\$ 14,400.00
2410 Taxes (Charlestown)	4,738.35
2420 Insurance	11,903.00
2425 Transfer Asset Replacement Funds to Fund	15,000.00
2426 Transfer Impact Fee to Road Fund	4,000.00
2429 Transfer Fun Run Donations to Tennis Fund	1,295.00
2436 Transfer Compliance	7,000.00
2437 Transfer Contingency Fund	20,000.00
Total Expenses	\$ 273,379.38
Net Operating Income	\$ 7,548.57
Net Income	\$ 7,548.57



Certain issues for Finance Committee consideration:

- Reserve Funds: Evaluate whether it is appropriate to transition from an accrual methodology to cash methodology
- Books & Records: Establish the scope for an independent review and examination of records to test the adequacy of data security and procedures